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General Partner

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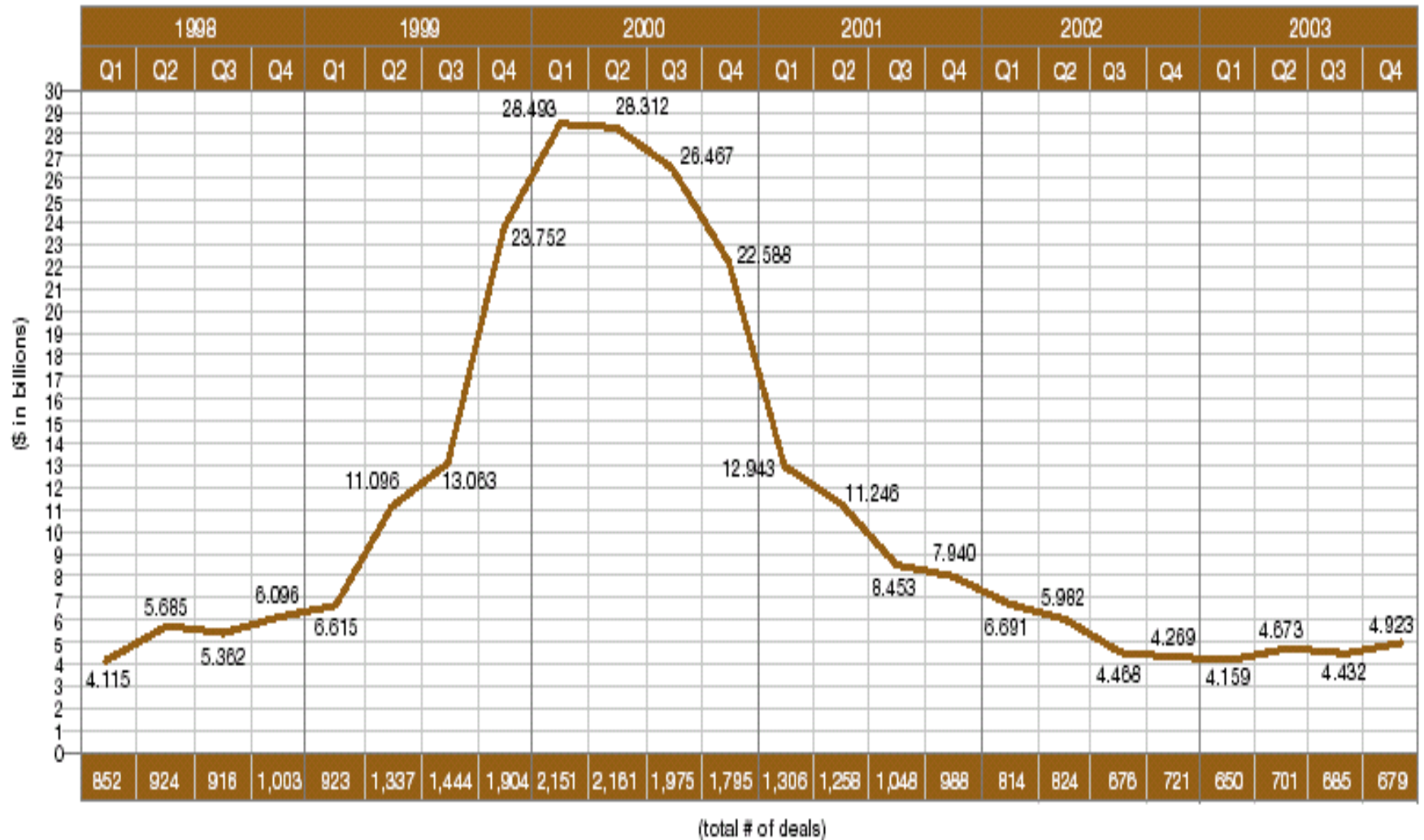
Battelle Ventures, L.P.

- \$150 Million Venture Capital Fund
- Battelle Memorial Institute (BMI) is Sole LP
- Seed, Start-Up, and Early Stage Investments
- Commercialize BMI and Labs' Technology
- Areas of Focus
 - Energy
 - Life Sciences
 - Information Technology
 - Homeland Security
 - Materials

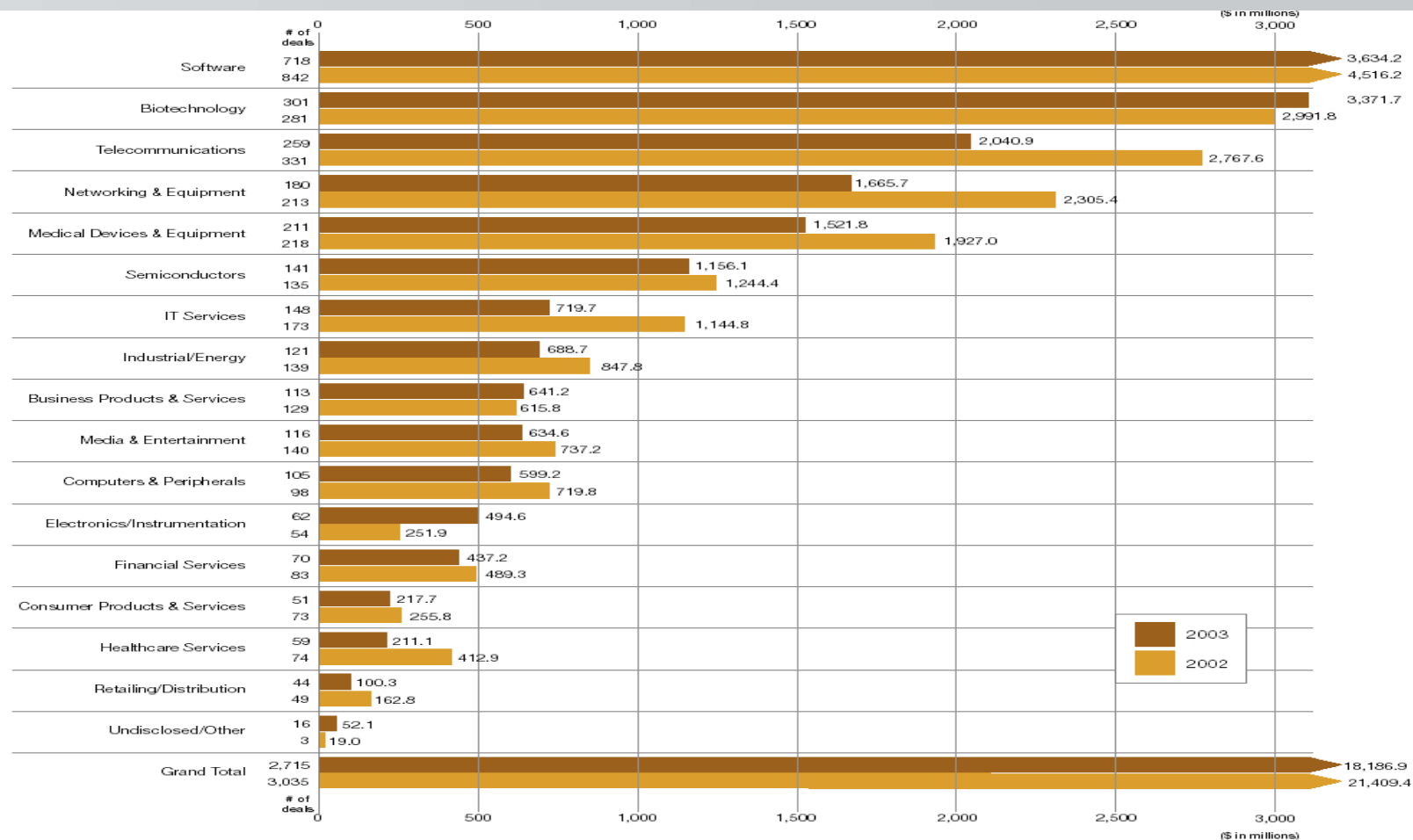
Venture Capital in 2004

- Current Outlook for 2004 is “Guarded Optimism”
 - Positive Economic Indicators
 - Venture Fund Raising and Investing is Picking Up
 - IPO and M&A Markets Are Showing Signs of Life
- Experienced the Bottom of the Downturn
- Might Be Back on Upward Track
- What is Clear – VC Firms Starting to Invest Again
- Investment Pace Holding Steady
 - \$4.6 Billion in 618 companies in 1Q 2004

Total Equity Investments Into VC-Backed Companies



Venture Capital: Current Trends-Sectors



Venture Capital – Energy Investing

- 3-4% of Venture Capital Investments
- Handful of Venture Firms Focus on Energy Sector
- Some Well-Established Firms Starting to Play
- ‘Not An Over-Funded Sector’

What Are VC's Looking For In Energy Field?

- Breakthrough Technologies
- Capital Efficient Business Models
- Plans That Can Create Value in Early Stages
- Less Hype, More Execution

Recommendations For Energy Start-ups

- Clear Message of Uniqueness of Technology AND The Problem It Solves in the Market
- Profitable Business Model
- Get To Prototype/Beta Quickly, With Minimal Capital
- Recruit The Best Management Team You Can
 - Industry Veterans
 - Experienced Entrepreneurs
- Value Creation